Form (2)

The Myanmar Investment Commission

PERMIT

Sr No 19759
Dated 10.12.2010

Permit No. 449 / 2010 Date 10th DECEMBER, 2010

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law-

(a) Name of Promoter MR. CHO HYUN OH

(b) Citizenship KOREAN

(c) Address # 60-6 JUAN DONG, NUM KU, INCHEON CITY, REPUBLIC OF KOREA

(d) Name and Address of principal organization SUITSTAR CO.,LTD. ROOM 302, HANKYUNG BLDG, # 693-1823, DAERIM-DONG, YEONGDEUNGPO-GU, SEOUL-135-784, REPUBLIC OF KOREA

(e) Place of incorporation SEOUL, REPUBLIC OF KOREA

(f) Type of business in which investment is to be made MANUFACTURING OF GARMENTS ON CMP BASIS

(g) Place(s) at which investment is permitted WARD (9), OAKHTA MYOTHIT, BAGO INDUSTRIAL ESTATE, BAGO REGION

(h) Amount of foreign capital US $ 2 MILLION

(i) Period for bringing in foreign capital WITHIN 18 MONTHS FROM THE DATE OF PERMISSION

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 2 MILLION

(k) Permitted duration of investment 15 YEARS

(l) Name of the economic organization to be formed in Myanmar SUITSTAR GARMENT COMPANY LIMITED

Chairman

The Myanmar Investment Commission

မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၄၄၉ / ၂၀၁၀ ၂၀၁၀ခုနှစ်၊ ဒီဇင်ဘာလ ၁၈ ရက်

ပြည်ထောင်စု မြန်မာနိုင်ငံတော် နိုင်ငံခြား ရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ (၁၀) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ကမကထပြုသူ၏အမည် MR. CHO HYUN OH

(ခ) မည်သည့် နိုင်ငံသား KOREAN

(ဂ) နေရပ်လိပ်စာ #60-6 JUAN DONG, NUM KU, INCHEON CITY, REPUBLIC OF KOREA.

(ဃ) ပင်မအဖွဲ့ အစည်းအမည်နှင့် လိပ်စာ SUITSTAR CO.,LTD.
ROOM 302, HANKYUNG BLDG, # 693-1823, DAERIM-DONG,
YEONGDEUNGPO-GU, SEOUL-135-784, REPUBLIC OF KOREA.

(င) ဖွဲ့စည်းရာအရပ် SEOUL, REPUBLIC OF KOREA.

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား CMP စနစ်ဖြင့် အထည်ချုပ်လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) ရပ်ကွက်ကြီး(၉)၊ ဥက္ကလာပမြို့ သစ်ပဲခူးစက်မှုနယ်မြေ၊ ပဲခူးတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၂ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်မှ ခွင့်ပြုမိန့် ရရှိပြီး (၁၈)လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၂ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၁၅ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် SUITSTAR GARMENT COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-1/Na- 629 / 2010 (19759)
Dated : 10th December 2010.

Tel: 067-406334,406075
Fax: 95-67-406333

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garment on CMP Basis" with under the name of "Suitstar Garment Co., Ltd."

Reference: Ministry of Industry(1) Letter No.25/1SaBa(Rental)/(2010-2011)(517) dated (9-9-2010)

1. The Myanmar Investment Commission, at its meeting (32 /2010) held on (1 -10 -2010) and the Trade council, at its meeting (33/2010) (20-10-2010) had reviewed the proposal for investment in "Manufacturing of Garment on CMP Basis" under the name of "Suitstar Garment Co., Ltd." submitted by "Suitstar Co., Ltd." from Republic of Korea as a wholly foreign owned investment. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting (44/2010) held on (18-11-2010), had resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be leased initially for a period of 15(Fifteen) years commencing from the effective date of signing of the Land and Building Lease Agreement and extendable for another 5(Five)years upon mutual agreement between Myanma Textile Industries and Suitstar Garment Co., Ltd. At the end of the leased period, Suitstar Garment Co., Ltd. shall be liable to transfer the leased properties within 3(Three) months from the date of termination of the Land and Building Lease Agreement together with all attachments, modification, refurnishing, and extensions on the leased property without any consideration, to Myanma Textile Industries.

4. The annual rent shall be calculated at the rate of US $ 2.754 (United States Dollar Two point Seven Five Four only) per square meter per annum on the uncovered area of (5346 square meter) to the amount of US $ 14722.88 (United States Dollar Fourteen Thousand Seven Hundred and Twenty Two and Eighty Eight Cent only) and at the rate of US $ 2.983 (United States Dollar Two point Nine Eight Three only) per square meter per annum on the covered area of (8094 square meter) to the amount of US $ 24145.60 (United States Dollar Twenty Four Thousand One Hundred and Forty

Five and Sixty Cent only), total area (13440 square meter) amounting to US $ 38868.48 (United States Dollar Thirty Eight Thousand Eight Hundred and Sixty Eight and Forty Eight Cent only). The annual rent shall be calculated from the signing date of the Lease Agreement herein after mentioned. The Lease Agreement may be renewed every five years of the Lease term by the parties and with the approval of Myanmar Investment Commission. The annual rent shall be negotiated and the rent shall not be increased more than 15 (Fifteen)percent of the annual rent.

5. Suitstar Garment Co., Ltd. shall provide the Performance Bank Guarantee to the amount of US$ 50,000 (United States Dollar Fifty Thousand Only) equivalent to 2.5(Two point Five) percent of the investment amount US$ 2,000,000(United States Dollar Two million only) in favour of the Myanma Textile Industries within 30(Thirty)days after the signing of the Land and Building Lease Agreement.

6. In issuing this "Permit," the Commission has granted , amongst the followings, exemptions and reliefs as per Section 21(a) (i) and (j) of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under Section (21) shall have to be applied upon the actual performance of the project.

(a) As per section-21(a), exemption from income tax up to 36(Thirty six) months starting from the month of commencement of commercial operation.

(b) As per section-21(b), exemption from income tax on profits of the business if they are maintained in a reserve fund and re-invested there in within one year after the reserve is made.

(c) As per section-21(c), right to accelerate depreciation in respect of machinery, equipment, building of other capital assets used in the business to the extent of the original value for the purpose of income-tax assessment.

(d) As per section-21(d),relief from income tax up to 50 percent on profits accrued from exports, following 3-year tax holiday period.

(e) As per section-21(e), right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.

(f) As per section-21(f), right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(g) As per section-21(g), right to deduct from the assessable income such expense incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, only after 3 years tax holiday period.

(h) As per section-21(h), right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(i) As per section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(j) As per section-21(j), exemption from customs duty and all other internal taxes on such raw materials which are actually required for operation of the business shall be granted within three years of commercial operation following the period of construction. However, such imports shall be subject to the approval endorsed by the Ministry of Industry(1).

7. Suitstar Garment Co., Ltd. shall have to sign One Hundred Percent Foreign Investment Contract and Land and Building Lease Agreement with Myanma Textile Industries. After signing such Agreement, (5) copies each of those shall have to be forwarded to the Commission.

8. Suitstar Garment Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

9. Suitstar Garment Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

10. The official date of commercial operation shall be reported to the Commission.

11. Suitstar Garment Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

12. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal. Suitstar Garment Co., Ltd. shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

13. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened;

(b) the detailed lists of the type and value of foreign capital defined under Section – 2 (h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Committee.

14. Whenever Suitstar Garment Co., Ltd. brings in foreign capital defined under Section-2(h) of the said Law, other than foreign currency in the manner stated in paragraph 13(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

15. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure (1)].

16. Suitstar Garment Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

17. Suitstar Garment Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94(0440) dated 30-6-94[Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

18. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of Suitstar Garment Co., Ltd.

19. Suitstar Garment Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

(Maung Maung Thein)
Chairman

Mr.Cho Hyun Oh
Suitstar Co.,Ltd.

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economic Development
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Industry(1)
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour
12. Ministry of Electric Power No.(2)
13. Chairman, Foreign Capital Evaluation Committee
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Managing Director, Myanma Textile Industries
18. Managing Director, Myanma Foreign Trade Bank
19. Managing Director, Myanma Investment and Commercial Bank
20. Managing Director, Myanma Insurance
21. Managing Director, Myanma Electric Power Enterprise
22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Chairman, Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)